

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT BY TRUST BOARD COMMITTEE TO TRUST BOARD

**DATE OF TRUST BOARD MEETING:** 1 October 2015

**COMMITTEE:** Integrated Finance, Performance and Investment Committee

**CHAIR:** Ms J Wilson, Non-Executive Director

**DATE OF COMMITTEE MEETING:** 27 August 2015

**RECOMMENDATIONS MADE BY THE COMMITTEE FOR CONSIDERATION BY THE TRUST BOARD:**

- none

**OTHER KEY ISSUES IDENTIFIED BY THE COMMITTEE FOR CONSIDERATION/ RESOLUTION BY THE TRUST BOARD:**

- Minute 88/15/1 – CHUGGS presentation and Endoscopy performance;
- Minute 88/15/3 – IBM contract performance;
- Minute 89/15/2 – Cancer performance;
- Minute 90/15/2 – Delivery of the Revised 2015-16 Financial Plan;
- Minute 92/15/1 – update on ICU reconfiguration, and
- Minute 92/15/2 – additional assurance on the Vascular Hybrid Theatre.

**DATE OF NEXT COMMITTEE MEETING:** 24 September 2015

Ms J Wilson  
Non-Executive Director and Committee Chair

**UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST****MINUTES OF A MEETING OF THE INTEGRATED FINANCE, PERFORMANCE AND INVESTMENT COMMITTEE (IFPIC), HELD ON THURSDAY 27 AUGUST 2015 AT 9,00AM IN THE BOARD ROOM, VICTORIA BUILDING, LEICESTER ROYAL INFIRMARY****Voting Members Present:**

Ms J Wilson – Non-Executive Director (Committee Chair)  
 Mr J Adler – Chief Executive  
 Colonel (Retired) I Crowe – Non-Executive Director  
 Dr S Dauncey – Non-Executive Director  
 Mr R Mitchell – Chief Operating Officer  
 Mr M Traynor – Non-Executive Director  
 Mr P Traynor – Chief Financial Officer

**In Attendance:**

Mr S Barton – Director of CIP and Future Operating Model (for Minutes 85/15, 86/15, 87/15, 90/15/3 and 90/15/4 only)  
 Mr C Benham – Director of Operational Finance  
 Ms J Fawcus – Head of Operations, CHUGGS (for Minute 88/15/1 only)  
 Dr G Garcea – Acting Clinical Director, CHUGGS (for Minute 88/15/1 only)  
 Ms M Gordon – Patient Partner  
 Mr P Gowdridge – Head of Strategic Finance  
 Ms K Johnston – Deputy Head of Nursing, CHUGGS (for Minute 88/15/1 only)  
 Mr D Kerr – Director of Estates and Facilities  
 Ms C Langford, Transformation Manager, CHUGGS (for Minute 88/15/1 only)  
 Mr W Monaghan – Director of Performance and Information  
 Mr R Moore – Non-Executive Director  
 Mrs K Rayns – Trust Administrator  
 Mr B Shaw – Head of Procurement and Supplies (for Minutes 90/15/3 and 90/15/4)  
 Mr K Singh – Trust Chairman  
 Mr G Smith – Patient Adviser  
 Ms E Wilkes – Reconfiguration Director

**RESOLVED ITEMS****ACTION****85/15 APOLOGIES AND WELCOME**

Apologies for absence were received from Ms L Bentley, Head of Financial Management and Planning, Dr S Dauncey, Non-Executive Director and Quality Assurance Committee Chair, and Ms K Shields, Director of Strategy.

The Committee Chair welcomed Ms M Gordon, Patient Partner to her first IFPIC meeting, noting that Ms Gordon would be attending future meetings in place of Mr G Smith, Patient Adviser who would be retiring from his role as a non-voting IFPIC member at the end of today's meeting.

**86/15 MINUTES**

Papers A and A1 provided the Minutes of the Integrated Finance, Performance and Investment Committee meeting held on 30 July 2015.

**Resolved** – that the Minutes of the 30 July 2015 IFPIC meeting (papers A and A1) be confirmed as correct records.

**87/15 MATTERS ARISING PROGRESS REPORT**

The Committee Chair confirmed that the matters arising report provided at paper B detailed the status of all outstanding matters arising from previous Finance and Performance Committee (FPC) and Integrated Finance, Performance and Investment Committee (IFPIC) meetings. The Committee received progress updates in respect of the following items:-

- (a) Minute 78/15/3 of 30 July 2015 – the Director of Estates and Facilities had met with the Audit Committee Chair and provided him with assurance regarding the audit trail for evidence relating to Facilities Management contract performance. This action was now considered to be complete and could be removed from the progress log; TA
- (b) Minute 80/15/2 of 30 July 2015 – the Chief Operating Officer had written to the Chief Executive setting out a proposal relating to Endoscopy planned waiting lists and this issue was expected to be resolved by the September 2015 IFPIC meeting (see post meeting note below), and COO
- (c) Minute 69/15/6 of 25 June 2015 – the expected report on service reviews had been deferred to the 24 September 2015 meeting. The Chief Executive queried the reason for this deferral, suggesting that a report presented to the 14 July 2015 Executive Strategy Board would have fulfilled this purpose. DS

**Resolved – that the matters arising report and any associated actions above, be noted.** **NAMED LEADS**

*Post meeting note: following a review of the evidence from the Intensive Support Team and the TDA, the Chief Executive consented to the introduction of the 6 week grace period for diagnostic patients. This would be applied proportionately in relation to how long patients' planned dates are intended to be. It would not be applied to any patient waiting less than 6 months or where this even short delay would result in potential harm.*

**88/15 STRATEGIC MATTERS**

**88/15/1 CMG Presentation – Cancer, Haematology, Urology, Gastroenterology and General Surgery (CHUGGS)**

Before the CHUGGS team were invited into the meeting room, the Committee considered the following key issues affecting the CMG's performance and the areas of focus required for today's meeting:-

- (a) this CMG was UHL's most challenged CMG (from a performance perspective), particularly in view of the scale of the issues within the Endoscopy Service which were affecting overall compliance with the 6 week wait diagnostic standard;
- (b) cancer 2 week wait and 62 day backlog performance were also causing concern;
- (c) RTT and cancer performance had improved significantly within the Urology Service and good progress was being made within General Surgery;
- (d) the CMG management team was responding well to some complex long-standing issues that had recently come to light and arrangements were in place to accelerate their recovery plans. Clarity was provided that the interim arrangements for the CMG's leadership team were not linked to the current performance issues, and
- (e) from a financial perspective, the CMG had struggled to deliver its financial plan for the first few months of the year and task of identifying schemes to deliver the total CIP target had been completed late. The focus now was on stabilising the CMG's financial performance and delivering the full value of the CIP schemes currently identified on the tracker.

The Acting Clinical Director, Head of Operations, Deputy Head of Nursing and Transformation Manager from the CHUGGS CMG attended the meeting at this point and the Committee Chair requested them to provide an update on Endoscopy performance, 62 day cancer performance and financial performance. The Acting Clinical Director briefed the Committee on progress with plans for reducing the backlog of patients awaiting

Endoscopy procedures and the arrangements for preventing such backlogs building up in future. Significant additional weekend activity was being scheduled and in-week utilisation rates were being strengthened.

The Endoscopy Service was being restructured to become a stand-alone service using a model successfully implemented by another NHS Trust in Leeds and a new Head of Service had been appointed. Additional administrative resources had been established to strengthen the bookings process with the aim of reducing non-attendance rates. In parallel, the pre-operative process was being streamlined. The job roles, goals and service improvement implementation plans were currently under preparation for 2 new posts (Endoscopy Manager and Endoscopy Matron) and these post holders were expected to commence during week commencing 1 September 2015.

Significant improvements had been demonstrated in Urology Services and improved cohesion had been developed between 2 separate Colorectal MDTs. A new CT pathway for Colorectal patients and a standardised process for allocation of theatre slots at the LGH site were also expected to improve performance.

In respect of financial performance, the CMG had forecast a year-end income and expenditure deficit of £1.3m. Recovery actions were underway to reduce the size of this deficit by addressing premium staffing costs, theatre trading cost pressures and lower than planned income in a number of specialties. Following an uplift in the CMG's nurse acuity levels, 69 new nurses had been recruited and some double running costs had been incurred whilst the new staff had become embedded. A 50% reduction in agency nursing expenditure was forecast between September 2015 and March 2016.

In discussion on the CMG's presentation, IFPIC members:-

- (i) supported the plans in place to resolve the current operational performance issues and sought assurance that the trajectory for compliant performance was achievable. In response, the Chief Operating Officer and the Director of Performance and Information indicated that there were some risks surrounding the agreed target date for compliance (end of September 2015) and suggested that October 2015 might be the fall-back position;
- (ii) noted that September 2015 compliance would be dependent upon (a) an additional 1,600 Endoscopy procedures being booked in September 2015, (b) the outcome of patient choices in relation to a treatment opportunity in Nottingham and the (c) the level of clinical sign-up for additional weekend lists. The Committee noted that a new electronic booking system (Unisoft) was being implemented in September 2015 and that daily monitoring of bookings was taking place to track the improvement trajectory;
- (iii) received assurance that all patients would be provided with at least 21 days' notice of their intended appointments;
- (iv) noted the arrangements for maintaining Endoscopy capacity under the Trust's site reconfiguration programme, noting that 2 additional Gastroenterologists were being appointed and that additional Endoscopy capacity was being developed within the wider healthcare economy;
- (v) sought additional assurance regarding the quality of care within the Endoscopy Services, noting that there had been no qualitative issues raised to date and that appropriate arrangements were in place to monitor the quality of both in-house and out-sourced clinical provision;
- (vi) queried the arrangements for Endoscopy equipment decontamination, as this could sometimes prove to be the rate-limiting factor in terms of delivering additional capacity. No immediate problems had been identified in this area, but the Director of Estates and Facilities agreed to discuss this point further with the Endoscopy team (outside the meeting);
- (vii) requested that a further progress report on Endoscopy performance be provided to the 24 September 2015 IFPIC meeting;

**DEF****COO/  
DPI**

## Trust Board paper S

- (viii) received assurance that the CMG's financial challenges were regularly discussed within the wider CMG workforce and that all budget holders had been provided with the tools they required for delivering financial recovery plans, and
- (ix) commented upon the CMG's final slide requesting support from the Trust Board in the form of interactive visits to clinical areas. The Committee Chair noted that she had already expressed an interest in observing a robotic surgery procedure within the Urology Service and she invited other Board members to attend join her on this visit (subject to availability).

TB  
members

The Committee Chair welcomed members' view on whether the CHUGGS CMG should be invited back to a future IFPIC meeting, noting the intention to invite future CMG presentations by exception only. Following discussion on the effective prioritisation of the Committee's calendar of business, it was agreed that the Committee Chair would meet with the Chief Financial Officer and the Chief Operating Officer to review the forward schedule of CMG presentations and report back to the next meeting.

IFPIC  
Chair/  
CFO/COO

**Resolved – that (A) the Director of Estates and Facilities be requested to liaise with the Endoscopy Service to seek assurance regarding decontamination capacity;**

DEF

**(B) a further progress update on Endoscopy Service Performance be presented to the 24 September 2015 meeting;**

COO/  
DPI

**(C) Trust Board members be invited to observe a robotic surgery procedure within the CHUGGS CMG (date to be advised), and**

TB  
members

**(D) an update on the forward schedule of CMG presentations be presented to the September 2015 IFPIC meeting (following review by the Committee Chair, Chief Financial Officer and Chief Operating Officer).**

IFPIC  
Chair/  
CFO/COO

### 88/15/2 TDA Quarterly Review Feedback

Further to Minute 78/15/1 of 30 July 2015, paper D provided copies of the presentation slides from the Quarterly Review meeting held with the TDA on 30 July 2015 and copies of correspondence exchanged between UHL and the TDA since that meeting. Responding to a query from the Patient Adviser, the Chief Executive confirmed that the key issues would be covered in his regular monthly briefing to the Trust Board.

CE

**Resolved – that the key issues arising from the 30 July 2015 TDA Quarterly Review meeting be included in a future Chief Executive's Trust Board report.**

CE

### 88/15/3 IBM Contract Performance – Quarterly Update

The Chief Information Officer attended the meeting to present an update on IBM contract performance (paper E refers). Noting that IBM had recently upgraded the tool for managing recording and allocation of service tasks, he briefed the Committee on the areas of failure for July 2015 against key service level agreement (SLA) targets. Due to low numbers of calls, a single failure had resulted in some SLA targets being breached (eg application development service requests). Discussions were underway with IBM with a view to development of a more meaningful set of SLA targets, but in the meantime the contract was being managed accordingly (including the application of any performance-related financial penalties).

Particular discussion took place regarding recent improvements in the business intelligence reporting system and confirmation was provided that more timely data was now being provided. However, the Director of Performance and Information commented upon challenges surrounding the stability of the system and the significant impact that had occurred on those days when the system had failed. The Committee requested that an update on performance and stability of the business intelligence reporting system be

included in the next quarterly update report (scheduled for the November 2015 IFPIC meeting).

The Committee also considered the following issues:-

- (a) feedback and outputs from the IM&T Listening into Action event (eg addressing PC performance issues by moving away from PC systems on the base wards);
- (b) low numbers of formal recorded complaints and the arrangements for tracking IM&T minor enhancement requests (MERs);
- (c) recent changes in the IBM account management arrangements, noting that Ms Jo Fernihough had now been replaced by Mr Paul Richards;
- (d) the arrangements for managing and mitigating the risks relating to delays in the Electronic Patient Record (EPR) project approvals process. Any delays after December 2016 would result in more significant financial exposure (beyond that of the lost efficiency opportunities attributed to the project);
- (e) the exploration of alternative funding sources to support the EPR project, in the event of national NHS capital not being made available. Advice on the technical aspects of alternative funding sources was currently being prepared by the Trust's Internal Auditors. The Audit Committee Chair queried whether an external review of the EPR project would be appropriate at this point in time. In response, the Chief Financial Officer undertook to brief the Audit Committee Chair on the findings of the EPR Gateway Review (outside the meeting). An update on the EPR approvals process and the exploration of alternative funding was requested for consideration at the September 2015 IFPIC meeting; **CFO**
- (f) progress of the changes to pension arrangements for UHL staff who had transferred to IBM, and **CFO**
- (g) opportunities in relation to procurement of third party managed contracts and improving communications between IBM and UHL.

**Resolved – that (A) an update on performance and stability of the business intelligence reporting system be included in the next quarterly update on IM&T contract performance (November 2015);** **CIO**

**(B) the Chief Financial Officer be requested to brief the Audit Committee Chair on the EPR Gateway Review outputs (outside the meeting), and** **CFO**

**(C) an update on the EPR approvals process and the exploration of alternative capital funding sources be provided to the September 2015 IFPIC meeting.** **CFO**

88/15/4 University of Leicester Embedded Space at UHL

The Director of Estates and Facilities introduced paper F, providing an update on the arrangements for charging the University of Leicester for occupancy of their embedded space on the UHL estate. A further meeting had been held with the University's Director of Estates and Facilities on 21 August 2015 and 2 organisations were now very close to agreeing the final quantum of embedded space (both occupied and non-occupied). Opportunities had been provided for the University to relinquish any embedded space which was no longer required or swap accommodation where this might be required to support the Trust's strategic reconfiguration programme.

The Director of Estates and Facilities sought the Committee's views on the proposed charging mechanism (eg "pass through" costs to cover the Trust's own costs or whether it would be appropriate to charge a more commercial rate). IFPIC members supported the "pass through" to support the Trust's strategic partnership with the University. It was agreed that invoices would be issued at the end of September 2015 and back-dated to 1 April 2015. A final update would be presented to the September 2015 IFPIC meeting to confirm the quantum of charges and the future charging model. **DEF**

**Resolved** – that (A) a charging mechanism for University of Leicester embedded space be approved on the basis of covering UHL’s costs, and

DEF

(B) the Director of Estates and Facilities be requested to confirm the final quantum of costs, impact on UHL’s financial position and the future charging model to the September 2015 IFPIC meeting.

DEF

## 89/15 PERFORMANCE

### 89/15/1 Month 4 Quality and Performance Report

Paper G provided an overview of UHL’s quality, patient experience, operational targets, and HR performance against national, regional and local indicators for the month ending 31 July 2015. Particular discussion took place regarding the following key issues:-

- (a) **Referral to Treatment (RTT)** – this was the last occasion that the RTT admitted and non-admitted performance indicators would feature in the Q&P report, due to national changes in reporting requirements. In future, the Trust would continue to monitor the percentage of incomplete pathways. For information, the Director of Performance and Information advised that the ability to pause a patient’s journey due to a holiday or becoming unfit for treatment was being withdrawn and this would have resulted in a significant reduction in compliance (had use of these indicators been retained);
- (b) **Orthodontics** – 246 patients had been waiting in excess of 52 weeks for treatment and the waiting list remained closed to new patients unless specific clinical urgency had been identified. In order to address this backlog, the Trust was pursuing recruitment of additional Consultants or locum arrangements. In parallel the Trust was working with NHS England to identify additional available capacity in the private sector. The IFPIC Chair confirmed that the Quality Assurance Committee would be receiving an update on the patient quality aspects of the Orthodontics Service later that afternoon;
- (c) **Diagnostics** – the earlier discussion on the CHUGGS CMG presentation refers to this item (see Minute 88/15/1 above). Daily monitoring arrangements were in place to track progress of the recovery plans for Endoscopy Services;
- (d) **Cancelled Operations** – a deterioration in performance had arisen from a lack of ICU capacity on the LGH site and non-availability of a key surgeon during a 3 week period. Performance was expected to be non-compliant for August 2015 and then recover for September 2015;
- (e) **Cancer Performance** – page 9 of the Q&P report set out the Trust’s cancer performance broken down by tumour site. In accordance with high impact changes to national reporting requirements, UHL’s tumour site performance would now be reported instead of the aggregated position for all cancers, and
- (f) **Estates and Facilities Performance** – the Director of Estates and Facilities highlighted opportunities to strengthen the level of assurance surrounding the accuracy of the data reported on page 12 of the Q&P report. The Chief Executive noted a degree of urgency attached to this workstream and asked him to accelerate progress where possible.

DEF

**Resolved** – that (A) the month 4 Quality and Performance report (paper G) and the subsequent discussion be received and noted, and

(B) the Director of Estates and Facilities be requested to accelerate the arrangements for increasing assurance in the accuracy of Estates and Facilities performance data.

DEF

### 89/15/2 Review of Cancer Performance

The Director of Performance and Information introduced paper H, providing the overarching action plan to deliver improved and sustainable cancer performance.

Appendix 1 provided a thematic review of the root cause analyses for 62 day cancer breaches during June 2015 and appendix 2 sought IFPIC approval of the draft standard operating procedure for the administration and integration of cancer pathways. Assurance was provided to the Committee regarding the process in place to manage and deliver the required Corporate and tumour-level improvements. The thematic review had proven to be a particularly useful exercise in terms of identifying the key themes which had led to performance breaches and this was planned to be repeated over the coming months.

The Intensive Support Team had recommended that the combined role of Cancer Centre Lead Nurse and Cancer Centre Manager be divided into 2 posts and appropriate funding routes to support this recommendation were being explored (including a potential bid for interim Macmillan cancer funding). The Committee agreed that an update on cancer performance would be provided to the September 2015 IFPIC meeting and that this report would include a focus on the training and development requirements for administrative and clerical staff involved in cancer pathways.

**COO/  
DPI**

**Resolved – that a progress report on cancer performance be presented to the 24 September 2015 IFPIC meeting (to include a focus on training and development of administrative and clerical staff).**

**COO/  
DPI**

89/15/3 Review of Fractured Neck of Femur Performance

The Director of Performance and Information presented paper I, detailing current performance in relation to the fractured neck of femur target and the trajectory for improvement. IFPIC members noted that the Chief Resident for Trauma had recently commenced in post, but sustainable compliant performance was not likely to be delivered until some long standing issues were resolved and high impact changes were made (as set out in section 3 of paper I).

The Committee Chair commended the comprehensive action plan and requested that a further update be provided to the Committee in December 2015 in the event that sustainable compliant performance had not been achieved before that date.

**COO/  
DPI**

**Resolved – that a follow-up report on Fractured Neck of Femur performance be presented to the December 2015 IFPIC meeting (unless fully compliant performance was being consistently delivered by then).**

**COO/  
DPI**

**90/15 FINANCE AND PLANNING**

90/15/1 Month 4 Financial Performance 2015-16

The Chief Financial Officer introduced paper J, providing an update on UHL's performance against the key financial duties for 2015-16 relating to delivery of the planned deficit, achievement of the External Financing Limit (EFL) and achievement of the Capital Resource Limit (CRL), as submitted for consideration by the 25 August 2015 Executive Performance Board and the 4 September 2015 Trust Board meetings.

Members noted that the TDA had requested the Trust to improve its forecast financial deficit for 2015-16 by £2m and that the year end control total would move to a deficit plan of £34.1m (with effect from August 2015). In month pay and non-pay expenditure trends had been broadly as expected, but patient care income was £1.5m adverse to plan. In addition, a £1.2m shortfall in CIP delivery had contributed to the year to date deficit of £19.9m.

The Chief Financial Officer noted the need to improve triangulation between pay expenditure, non-pay expenditure, income and CMG forecasts. Members sought and received additional information on drug expenditure and an adverse pay expenditure trend within the CSI CMG which had been caused by an administrative error. A thorough



investigation was being undertaken and appropriate corrective actions were being applied.

**Resolved – that the position be noted.**

90/15/2 Delivery of the Revised 2015-16 Financial Plan

Further to Minute 79/15/4 of 30 July 2015, the Chief Financial Officer introduced paper K, providing an update on the CMG and Directorate-level financial forecasts and the actions required to ensure delivery of the revised 2015-16 financial plan (£34.1m deficit). Members noted the combination of Corporate and CMG approaches that were being used to reduce expenditure and support financial recovery plans (including the options being considered to deliver the £2m improvement to the forecast).

The Chief Executive confirmed that the Executive Strategy Board had signed up to the proposed actions on 25 August 2015 and that the finalised implementation arrangements would commence at the beginning of September 2015. Mr M Traynor, Non-Executive Director highlighted the challenges associated with reversing the current financial run-rate and he commented upon the scope to develop an internal agency initiative which might support a reduction in premium pay expenditure. The Committee Chair noted that the 10 September 2015 Trust Board thinking day was due to focus upon workforce issues and she suggested that a wider discussion on this matter be held then.

**Trust  
Chairman  
/DCLA**

In response to a query by the Audit Committee Chair, the Chief Financial Officer commented upon the deterioration in debtors' performance, providing assurance that there were no specific concerns affecting the Trust's cash flow. He also reported on changes in the guidance relating to overseas visitor payments and the arrangements for managing the information flows to Commissioners.

**Resolved – that (A) an update report on delivery of the revised 2016-16 financial plan be presented to the 24 September 2015 IFPIC meeting, and**

**CFO**

**(B) a wider discussion on the scope to implement an in-house agency initiative be held at the 10 September 2015 Trust Board thinking day.**

**Trust  
Chairman  
/DCLA**

90/15/3 Cost Improvement Programme (CIP) 2015-16

The Director of CIP and Future Operating Model introduced paper L, providing an update on progress of the 2015-16 Cost Improvement Programme and the actions being taken to ensure the delivery of the £43m target. At the end of July 2015, the forecast out-turn of the programme was £42.764m which represented a £200,000 improvement from the previously reported position. The risk-adjusted total stood at £38.1m. 72% of the 578 schemes had started to deliver their identified savings and the monthly savings total was expected to exceed the target consistently with effect from October 2015. Section 3 of paper L set out the 5 key risks and mitigating actions in respect of the 2015-16 Programme.

Section 7 of paper L described the principles relating to development of the 2016-17 Cost Improvement Programme and members particularly noted that the CMGs and Corporate Directorates had been tasked to identify 75% of their CIP target by the end of November 2015. A formal report on 2016-17 CIP development would be presented to the 24 September 2015 IFPIC meeting.

**DCIP  
&FOM**

Discussion took place regarding the overall strategy for development of income related CIP schemes and cost reduction schemes, recognizing the need to close acute beds and remove costs in conjunction with the wider healthcare community. Some benchmarking work had been undertaken with 10 peer group Trusts in respect of CIP performance over the last 4 months and the Trust had compared well against those Trusts which reported their performance against plan (instead of against target). Members sought and received

## Trust Board paper S

assurance that the likely 2016-17 CIP target was broadly consistent with the Long Term Financial Model (LTFM) and the Chief Financial Officer agreed to provide an update on the LTFM to IFPIC in either September 2015 or October 2015 (to be confirmed by the Chief Financial Officer)

CFO

The Director of CIP and Future Operating Model provided assurance that the embedded CMG Transformation Managers were making a good impact and providing value for money. The Patient Partner queried whether the CMG transformation leads were also developing patient pathways between the CMGs. In response, the Director of CIP and Future Operating Model highlighted the purpose of the cross-cutting CIP themes and offered to meet with the Patient Partner to explain this in more depth and provide assurance regarding the clinical governance assurance process to review any quality and safety impact of CIP schemes.

DCIP  
&FOM

Finally, the Committee Chair noted the intention to provide an update on the Workforce Cross-Cutting CIP theme to the Committee in October 2015 and commented that this was not consistent with the current IFPIC calendar of business. She requested that the Director of CIP and Future Operating Model reviewed the schedule for reports on the cross-cutting CIP theme and an updated version be presented to the IFPIC meeting in September 2015.

DCIP  
&FOM

**Resolved – that (A) a report on the 2016-17 Cost Improvement Programme be presented to the September 2015 IFPIC meeting;**

DCIP  
&FOM

**(B) an update on the Trust's LTFM be presented to IFPIC in either September or October 2015 (to be advised by the Chief Financial Officer);**

CFO

**(C) the Director of CIP and Future Operating Model be requested to meet with Ms M Gordon, Patient Partner to brief her on the cross-cutting CIP themes and the CIP quality impact assessment process (outside the meeting if this would be helpful), and**

DCIP  
&FOM

**(D) the Director of CIP and Future Operating Model be requested to review the forward schedule of cross-cutting CIP theme reports and provide an updated version for the September 2015 IFPIC meeting.**

DCIP  
&FOM

90/15/4

### Overview of the Non-Pay Cross-Cutting CIP Theme

The Head of Procurement and Supplies attended the meeting to present paper M, providing a summary of progress with the non-pay cross cutting CIP theme. The forecast year-end savings were £3.958m and year-to-date savings of £873,000 had been delivered. The report also outlined plans to achieve savings of £7.7m in the financial year 2016-17. IFPIC members noted that the Chief Financial Officer chaired a monthly procurement steering group which monitored delivery against each of the identified workstreams.

In discussion on the report, the Committee considered the scope to develop a more stretching financial target for 2016-17, noting the constraints around contractual lead-in times and the need for a more strategic focus now that many of the "quick win" opportunities had been delivered. The Chief Financial Officer noted that some areas of expenditure were embedded and it was sometimes necessary to break with tradition to deliver change (eg replacement of paper expenses forms with an electronic system).

Members also discussed opportunities for more collaborative procurement with other NHS organisations and with local Councils and Universities. The Head of Procurement and Supplies briefed the Committee on existing collaborative workstreams and the expected benefits of the Trust's participation in Lord Carter's Better Resource Utilisation Programme. UHL's Procurement Strategy was currently being updated and was scheduled to be presented to the Executive Strategy Board and IFPIC in September 2015. The Committee

HPS

Chair suggested that any discussion on wider UHL procurement opportunities be considered at a future Trust Board thinking day and the Trust Administrator was requested to highlight this to the Director of Corporate and Legal Affairs for inclusion on the calendar of business (if appropriate). Finally, the Trust Chairman advised that he had arranged to visit the Procurement Team in November 2015.

TA/  
DCLA

**Resolved** – that (A) the draft UHL Procurement Strategy be presented to the 29 October 2015 IFPIC meeting for approval, and

HPS

(B) wider UHL procurement opportunities be highlighted to the Director of Corporate and Legal Affairs as a potential discussion theme for a future Trust Board thinking day.

TA/  
DCLA

## 91/15 SCRUTINY AND INFORMATION

### 91/15/1 Strategic Business Case Approvals Process

Further to Minute 81/15/1 of 30 July 2015, paper N provided the revised approvals process for members' information. Any final comments on the documentation were welcomed (outside the meeting).

**Resolved** – that the final Strategic Business Case Approvals Process be approved, subject to any final comments being raised outside the meeting.

DS

### 91/15/2 Executive Performance Board

**Resolved** – that the notes of the 28 July 2015 Executive Performance Board meeting be received and noted as paper O.

### 91/15/3 Revenue Investment Committee

**Resolved** – that (A) the cancellation of the Revenue Investment Committee meeting due to be held on 14 August 2015 be noted, and

(B) the next Revenue Investment Committee meeting be held on 11 September 2015.

### 91/15/4 Capital Monitoring and Investment Committee

**Resolved** – that the notes of the 14 August 2015 Capital Monitoring and Investment Committee meeting be presented to the 24 September 2015 IFPIC meeting.

### 91/15/5 Updated IFPIC Calendar of Business

**Resolved** – that the IFPIC calendar of business be received and noted as paper P and an updated version be presented to the 24 September 2015 meeting (following reviews of the CMG presentations and the cross-cutting CIP theme reports).

TA

## 92/15 INVESTMENT BUSINESS CASES

As previously agreed with the Director of Corporate and Legal Affairs and the Quality Assurance Committee Chair, the Trust's Acting Medical Director and Chief Nurse had been invited to attend the meeting at this point, to provide input on the clinical quality aspects of the business cases. However, the Acting Medical Director was unable to attend on this occasion.

### 92/15/1 Update on Adult Level 3 Intensive Care Unit Reconfiguration

Further to Minute 74/15/1 of 30 July 2015, paper Q provided an update on the progress of

the ICU workstream and a summary of the interim ICU business case (as supported by the Capital Monitoring and Investment Committee on 14 August 2015). Following discussion on the wider context of the scheme, the Committee approved the interim ICU business case to re-provide 6 level 3 critical care beds (3 at the LRI and 3 at GH) in the sum of £717,000 capital costs together with the supporting recurrent and non-recurrent revenue funding (as set out in section 2 of paper Q).

**DS**

Paragraph 17 in section 3 of the report outlined 5 remaining issues still requiring resolution in respect of the workforce impact for 2016-17 and beyond. The Chief Nurse advised that further clarity on these issue was expected to be achieved through forthcoming confirm and challenge sessions with the CMG teams and a review of theatre session utilisation. An update on the revenue funding for the interim solution would be provided to the 24 September 2015 IFPIC meeting. The ICU Full Business Case would then be presented to IFPIC at the end of October 2015 and the Trust Board on 5 November 2015.

**DS  
DS**

The Reconfiguration Director provided a verbal briefing on the wider capital requirements for UHL's site reconfiguration and the maximum quantum for each scheme, noting that these costs were still to be validated:-

- series of ward moves and refurbishments at the LRI site to accommodate the CQC requirements for paediatric dentistry (£5m), and
- modifications to wards, theatres and imaging accommodation at GH (£12.7m).

The Chief Operating Officer had met with the Director of Strategy and the Acting Medical Director and raised some concerns regarding the bed and theatre capacity modelling assumptions. He particularly noted the risks surrounding winter pressures and the arrangements for "left shift" of clinical activity from the acute sector into the community and he requested that an update on contingency planning arrangements be included in the update report for the 24 September 2015 IFPIC meeting. Mr R Moore, Non-Executive Director and Audit Committee Chair commented upon the scope to enhance the description of these risks on the Trust's risk register.

**DS**

**Resolved – that (A) the Interim Adult ICU Level 3 Business Case be approved (as set out in paper Q),**

**DS**

**(B) an update on revenue expenditure and contingency arrangements be presented to the 24 September 2015 IFPIC meeting, and**

**DS**

**(C) the ICU full business case be presented to the October 2015 IFPIC meeting and the November 2015 Trust Board meeting.**

92/15/2 Vascular Hybrid Theatre – Internal Rate of Return

Further to IFPIC Minute 74/15/1 of 30 July 2015 and Trust Board Minute 163/15/2 of 6 August 2015, paper R set out the additional assurance requested by the Trust Board in respect of the option/investment appraisal, financial benefits and a summary of the clinical need for a hybrid theatre.

**Resolved – that the additional information relating to the Vascular Hybrid Theatre business case (as approved by the Trust Board on 6 August 2015) be received and noted.**

**93/15 ANY OTHER BUSINESS**

93/15/1 ITFF Application

Further to Minute 79/15/2 of 30 July 2015, the Chief Financial Officer confirmed that UHL's application for funding from the Integrated Trust Financing Facility (ITFF) had been

supported for onward approval by the Department of Health.

**Resolved** – that the position be noted.

93/15/2 Mr Geoff Smith – Patient Adviser

Noting that this would be his last IFPIC meeting (as he was standing down as a non-voting IFPIC Committee member with immediate effect), the Committee Chair recorded the Committee's thanks to Mr Smith and wished him well for the future.

**Resolved** – that the position be noted.

94/15 **ITEMS TO BE HIGHLIGHTED TO THE TRUST BOARD**

**Resolved** – that (A) a summary of the business considered at this meeting be provided to the Trust Board meeting on 4 September 2015, and

TA/  
Chair

(B) the following items be particularly highlighted for the Trust Board's attention:-

- Minute 88/15/1 – CHUGGS presentation and Endoscopy performance;
- Minute 88/15/3 – IBM contract performance;
- Minute 89/15/2 – Cancer performance;
- Minute 90/15/2 – Delivery of the Revised 2015-16 Financial Plan;
- Minute 92/15/1 – update on ICU reconfiguration, and
- Minute 92/15/2 – additional assurance on the Vascular Hybrid Theatre.

95/15 **DATE OF NEXT MEETING**

**Resolved** – that the next meeting of the Integrated Finance, Performance and Investment Committee be held on Thursday 24 September 2015 from 9am – 12noon in the Board Room, Victoria Building, Leicester Royal Infirmary.

The meeting closed at 12.24pm

Kate Rayns,  
Acting Senior Trust Administrator

### **Attendance Record 2015-16**

Voting Members:

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
J Wilson (Chair)	5	5	100%	R Mitchell	5	4	80%
J Adler	5	3	60%	M Traynor	5	5	100%
I Crowe	5	5	100%	P Traynor	5	4	80%
S Dauncey	5	3	60%				

Non-Voting Members:

Name	Possible	Actual	% attendance	Name	Possible	Actual	% attendance
D Kerr	5	5	100%	K Singh	5	5	100%
M Gordon	1	1	100%	G Smith	5	5	100%
R Moore	5	5	100%	K Shields	5	3	60%